EXHIBIT NO. _____

City of Alexandria, Virginia

6-27-06

MEMORANDUM

DATE:

JUNE 23, 2006

TO:

THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

JAMES K. HARTMANN, CITY MANAGER

SUBJECT.

CONSIDERATION OF PROPOSED LEASE FOR PROPERTY AT 1900

NORTH BEAUREGARD STREET FOR ALEXANDRIA CHILD ADVOCACY

CENTER

<u>ISSUE</u>: Consideration of a lease for approximately 10,000 square feet of office space on the second floor of 1900 North Beauregard Street to be used to establish the Alexandria Child Advocacy Center (CAC).

RECOMMENDATION: That the City Council authorize the City Manager to execute, on behalf of the City, and to deliver the lease for a portion of the second floor of 1900 North Beauregard Street, in substantially the form presented to the Council with such changes as are approved by the City Manager and City Attorney. The execution of these documents by the City Manager shall constitute conclusive evidence of his approval, and that of the City Attorney, of any and all changes, from the documents made available to the City Council. The proposed lease is for a term of ten years from October or November of 2006 with a unilateral right for the City to terminate after five years.

BACKGROUND: For the last three years, City staff and community stakeholders have met to discuss the feasibility of creating a City of Alexandria Child Advocacy Center (CAC) also known as the Alexandria Center for Adults and Children. Many national child advocacy centers focus only on the interviewing (forensic) and prosecutorial aspects of serious abuse and neglect cases, however in the City of Alexandria the Child Advocacy Center is a public/private partnership where the goal is to be comprehensive and focus on not only the forensic issues, but also therapy and prevention. The center will provide: (1) a central location where abused children will be treated physically and psychologically; (2) a child friendly atmosphere to conduct interviews by closed circuit television; (3) space for a multi-disciplinary approach to handling cases; (4) a welcoming place for parenting classes; and (4) coordination of home based therapy visits, supervised visitation, family group conferencing and play groups.

The Alexandria Community Trust (ACT) has committed to help establish this center by facilitating work groups, securing the founding board of directors, creating the separate 501c(3) incorporation status and supporting the salary of the executive director of the center. The CAC would be managed by a non-profit board of directors with the participation of the City

Department of Human Services; Department of Mental Health, Mental Retardation, Substance Abuse; Commonwealth's Attorney; Police Department; Office on Women; and City Attorney's Office, as well as a number of non profits such as Stop Child Abuse Now (SCAN). The CAC board and its executive director will assume responsibility for ongoing operational costs (including lease costs), and coordinating the services offered by City and nonprofit staff. Additionally, the Alexandria Capital Development Foundation has agreed to raise all the estimated \$600,000 in funds required for the buildout and furnishings of the CAC. The City will enter into the lease on behalf of the CAC nonprofit group and establish a sublet lease relationship with the CAC at direct cost reimbursement to the City. The sublet lease will be brought to Council for approval this Fall.

Prior to entering into lease discussions with the proposed landlord (Mark Center II, LLC.) staff met with the members of the CAC organization to determine program requirements and to work with that group in locating a space that would satisfy the program needs. The recommended property satisfies the requirements as outlined and agreed to by the CAC organizational group members. As is described in the JobLink lease docket item, the site has good public transit access as well as a Mark Center shuttle service to the Pentagon City Metrorail station.

The basic lease terms include a base full service lease rate of \$20.73 per square foot to be escalated each year 3 percent per year. The base rent will include provision of all building services such as utilities, janitorial, and general maintenance. Parking is provided at the ratio of three parking spaces per 1,000 square feet of space which in this case is about 30 spaces.

The landlord will provide for improvements of the space according to mutually agreed upon designs and specifications. Improvements will include painting, carpet, remodeling of office areas, electrical, plumbing and space modifications. The landlord will apply a \$20 per square foot credit for these agreed upon improvements. Upon completion of the above mentioned improvements, CAC representatives have proposed to pay for the improvements up front from planned private fund raising, in their entirety, and have the \$20 per square foot credit applied to the lease rate distributed evenly over the first five years of the lease. This translates to a downward adjustment in CAC rent of approximately \$4.00 per square foot during those first five years. At the end of the first five years, and assuming the City in conjunction with the CAC does not exercise the unilateral option to terminate the lease, the base rent for the remaining five years will be adjusted to reflect the initial base rate of \$24.75, plus escalators as would have been applied during the initial first five year lease period. The City will pay for approximately 2,700 square feet of the overall leased area because those areas will house City programs that will work in the CAC and/or are shared program spaces between the CAC and JobLink programs.

A key part of the CAC's success will be the interdepartmental and interagency nature of the CAC programs and services. That is why the planning for the CAC to date has been undertaken by key stakeholders in the program. This collaborative effort has resulted in a consensus among the stakeholders on the CAC's mission and programs. As part of the collaboration, it is proposed that eight City staff from the Department of Mental Health Mental Retardation and Substance

Abuse, and four staff from the Department of Human Services would be co-located in space within the CAC. This co-location will allow the staff of these two departments to participate in the CAC programs, as well as to provide services to their clients at the CAC. The leased space on the second floor will also contain a break room that will be jointly shared with the JobLink staff who will be located on the third floor of this office building.

This lease is a separate lease than the *JobLink* lease so that future decisions about JobLink's location (see the *JobLink* lease docket item) can be made independently of the location of the CAC.

FISCAL IMPACT: The total cost of this lease (assuming an estimated November 1 commencement date) will be \$138,200 for FY 2007, with the full year FY 2008 cost estimated at \$215,000. The non-profit CAC will pay the full costs of the 7,300 square feet that it is utilizing and the City will pay for the 2,700 square feet it is utilizing for the 12 City employees who will be located at the CAC. The City will also pay for the break room space. The Department of Mental Health, Mental Retardation and Substance Abuse and the Department of Human Services will pay for their share of the lease costs (about \$58,600 per year) from existing budgeted operating funds. The funds for the buildout costs of the space will be privately fund raised by the Alexandria Capital Development Foundation working in conjunction with the Alexandria Community Trust (who will also help fund raise the operating costs).

<u>ATTACHMENT</u>: Proposed lease at 1900 North Beauregard for Alexandria Child Advocacy Center

STAFF:

Mark Jinks, Deputy City Manager Edward Mandley, Director, Department of General Services Debra R. Collins, Director, Department of Human Services

OFFICE LEASE

THIS OFFICE LEASE is executed this ______ day of _______, 2006, by and between MARK CENTER BUILDINGS II, LLC, a Delaware limited liability company ("Landlord"), and CITY OF ALEXANDRIA, a municipal corporation of the Commonwealth of Virginia, ("Tenant").

ARTICLE 1 - LEASE OF PREMISES

Section 1.01. Basic Lease Provisions and Definitions.

- (a) Leased Premises (shown outlined in <u>Exhibit A</u> hereto): Suite 200 on the second (2nd) floor of the building (the "Building") located at 1900 N. Beauregard St., Alexandria, Virginia within that complex known as Mark Center (the "Park").
- (b) Rentable Area: approximately 10,012 rentable square feet. The Rentable Area includes the square footage within the Leased Premises plus a pro rata portion of the square footage of the common areas within the Building, as reasonably determined by Landlord.
 - (c) Tenant's Proportionate Share: 18.98%.
 - (d) Minimum Annual Rent:

Year 1	\$ 207,562.25
Year 2	\$ 214,989.48
Year 3	\$ 222,639.52
Year 4	\$ 230,519.07
Year 5	\$ 238,635.00
Year 6	\$ 287,006.41
Year 7	\$ 295,616.60
Year 8	\$ 304,485.10
Year 9	\$ 313,619.65
Year 10	\$ 323,028.24

(e) Monthly Rental Installments:

Months 1 - 12	\$ 17,296.85
Months 13 - 24	\$ 17,915.79
Months 25 - 36	\$ 18,553.29
Months 37 – 48	\$ 19,209.92
Months 49 - 60	\$ 19,886.25
Months 61 – 72	\$ 23,917.20
Months 73 – 84	\$ 24,634.72
Months 87 - 96	\$ 25,373.76
Months 99 - 108	\$ 26,134.97
Months 111- 120	\$ 26,919,02

- (f) Base Year: calendar year 2006.
- (g) Target Commencement Date: October 1, 2006.
- (h) Lease Term: ten (10) years.
- (i) Security Deposit: \$20,631.19.
- (j) Broker(s): Duke Realty Services LLC.
- (k) Permitted Use: General office purposes by Tenant's "Child Advocacy Center", in accordance with Article 5 hereof.
 - (i) Address for notices and payments are as follows:

Landlord:

Mark Center Buildings II, LLC c/o Duke Realty Corporation

Attn.: Vice President, Property Management

4900 Seminary Road Alexandria, VA 22311

4

With

Payments to: WTM Master Building LLC

75 Remittance Drive, Suite 6992 Chicago, IL 60675-6692

Tenant:

City of Alexandria Department of General Services

110 North Royal Street, Suite 300

Alexandria, VA 22314 Attn: Ed Mandley

(m) Guarantor(s): [Intentionally omitted].

(n) Parking Permit(s): thirty (30).

EXHIBITS

Exhibit A - Leased Premises

Exhibit B - Tenant Improvements

Exhibit C - Letter of Understanding

Exhibit D - Rules and Regulations

Section 1.02. Lease of Premises. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Leased Premises, under the terms and conditions herein, together with a non-exclusive right, in common with others, to use the following (collectively, the "Common Areas"): the areas of the Building and the underlying land and improvements thereto that are designed for use in common by all tenants of the Building and their respective employees, agents, customers, invitees and others.

ARTICLE 2 - TERM AND POSSESSION

Section 2.01. Term. The Lease Term shall commence as of the date (the "Commencement Date") that Substantial Completion (as defined in Exhibit B hereto) of the Tenant Improvements (as defined in Section 2.02 below) occurs, provided that the Commencement Date shall in no event be prior to October 1, 2006.

<u>Section 2.02</u>. <u>Construction of Tenant Improvements</u>. Landlord shall construct and install all leasehold improvements to the Leased Premises (collectively, the "Tenant Improvements") in accordance with <u>Exhibit B</u> attached hereto and made a part hereof.

Section 2.03. Surrender of the Premises. Upon the expiration or earlier termination of this Lease, Tenant shall, at its sole cost and expense, immediately (a) surrender the Leased Premises to Landlord in broom-clean condition and in good order, condition and repair, (b) remove from the Leased Premises (i) Tenant's Property (as defined in Section 8.01 below), (ii) all data and communications wiring and cabling (including above ceiling, below raised floors and behind walls), and (iii) any alterations required to be removed pursuant to Section 7.03 below, and (c) repair any damage caused by any such removal and restore the Leased Premises to the condition existing upon the Commencement Date, reasonable wear and tear excepted. All of Tenant's Property that is not removed within ten (10) days following Landlord's written demand therefor shall be conclusively deemed to have been abandoned and Landlord shall be entitled to dispose of such property at Tenant's cost without incurring any liability to Tenant. This Section 2.03 shall survive the expiration or any earlier termination of this Lease.

Section 2.04. Holding Over. If Tenant retains possession of the Leased Premises after the expiration or earlier termination of this Lease, Tenant shall be a tenant at sufferance at two hundred percent (200%) of the Monthly Rental Installments and Annual Rental Adjustment (as hereinafter defined) for the Leased Premises in effect upon the date of such expiration or earlier termination, and otherwise upon the terms, covenants and conditions herein specified, so far as applicable. Acceptance by Landlord of rent after such expiration or earlier termination shall not result in a renewal of this Lease, nor shall such acceptance create a month-to-month tenancy. In the event a month-to-month tenancy is created by operation of law, either party shall have the right to terminate such month-to-month tenancy upon thirty (30) days' prior written notice to the other, whether or not said notice is given on the rent paying date. This Section 2.04 shall in no way constitute a consent by Landlord to any holding over by Tenant upon the expiration or earlier termination of this Lease, nor limit Landlord's remedies in such event.

ARTICLE 3 - RENT

Section 3.01. Base Rent. Tenant shall pay to Landlord the Minimum Annual Rent in the Monthly Rental Installments in advance, without demand, deduction or offset, on the Commencement Date and on or before the first day of each and every calendar month thereafter during the Lease Term. The Monthly Rental Installments for partial calendar months shall be prorated.

Section 3.02. Annual Rental Adjustment Definitions.

- "Annual Rental Adjustment" shall mean the amount of Tenant's Proportionate Share of Operating Expenses for a particular calendar year.
- "Operating Expenses" shall mean the amount of all of Landlord's costs and expenses paid or incurred in operating, repairing, replacing and maintaining the Building and the Common Areas in good condition and repair for a particular calendar year (including all additional costs and expenses that Landlord reasonably determines that it would have paid or incurred during such year if the Building had been fully occupied), including by way of illustration and not limitation, the following: all Real Estate Taxes (as hereinafter defined), insurance premiums and deductibles; water, sewer, electrical and other utility charges other than the separately billed electrical and other charges paid by Tenant as provided in this Lease (or other tenants in the Building); service and other charges incurred in the repair, replacement, operation and maintenance of the elevators and the heating, ventilation and air-conditioning system; costs associated with providing fitness facilities, if any; cleaning and other janitorial services; tools and supplies; repair costs; landscape maintenance costs; access patrols; license, permit and inspection fees; management fees; administrative fees; supplies, costs, wages and related employee benefits payable for the management, maintenance and operation of the Building; maintenance, repair and replacement of the driveways, parking and sidewalk areas (including snow and ice removal), landscaped areas, and lighting; maintenance and repair costs, dues, fees and assessments incurred under any covenants, charged by any owners association, or otherwise allocable to the Building with respect to common areas and facilities of the Park; and costs incurred by Landlord in providing transportation assistance or service to or from the Building or in administering any transportation management program required by any government agency. The cost of any Operating Expenses that are capital in nature shall be amortized over the useful life of the improvement (as reasonably determined by Landlord), and only the amortized portion shall be included in Operating Expenses.
- "Tenant's Proportionate Share of Operating Expenses" shall mean an amount equal to the remainder of (i) the product of Tenant's Proportionate Share times the Operating Expenses less (ii) Tenant's Proportionate Share times the Operating Expenses for the Base Year, provided that such amount shall not be less than zero.
- "Real Estate Taxes" shall mean any form of real estate tax or general or special assessment, or service payments in lieu thereof, and any license fee (including business professional occupation license fees), commercial rental tax, improvement bond or other similar charge or tax (other than inheritance, personal income or estate taxes) imposed upon the Building or Common Areas, or against Landlord's business of leasing the Building, by any authority having the power to so charge or tax, together with costs and expenses of contesting the validity or amount of the Real Estate Taxes.

Section 3.03. Payment of Additional Rent.

- Any amount required to be paid by Tenant hereunder (in addition to Minimum Annual (a) Rent) and any charges or expenses incurred by Landlord on behalf of Tenant under the terms of this Lease shall be considered "Additional Rent" payable in the same manner and upon the same terms and conditions as the Minimum Annual Rent reserved hereunder, except as set forth herein to the contrary. Any failure on the part of Tenant to pay such Additional Rent when and as the same shall become due shall entitle Landlord to the remedies available to it for non-payment of Minimum Annual Rent.
- In addition to the Minimum Annual Rent specified in this Lease, commencing as of the Commencement Date, Tenant shall pay to Landlord as Additional Rent for the Leased Premises, in each calendar year or partial calendar year during the Lease Term, an amount equal to the Annual Rental Adjustment for such calendar year. Landlord shall estimate the Annual Rental Adjustment annually, and written notice thereof shall be given to Tenant prior to the beginning of each calendar year. Tenant shall pay to Landlord each month, at the same time the Monthly Rental Installment is due, an amount equal to one-twelfth (1/12) of the estimated Annual Rental Adjustment. If Operating Expenses increase during a calendar year, Landlord may increase the estimated Annual Rental Adjustment during such year by giving Tenant written notice to that effect, and thereafter Tenant shall pay to Landlord, in each of the remaining months of such year, an amount equal to the amount of such increase in the estimated Annual Rental Adjustment divided by the number of months remaining in such year. Within a reasonable time

after the end of each calendar year, Landlord shall prepare and deliver to Tenant a statement showing the actual Annual Rental Adjustment. Within thirty (30) days after receipt of the aforementioned statement, Tenant shall pay to Landlord, or Landlord shall credit against the next rent payment or payments due from Tenant, as the case may be, the difference between the actual Annual Rental Adjustment for the preceding calendar year and the estimated amount paid by Tenant during such year. This Section 3.03 shall survive the expiration or any earlier termination of this Lease.

Section 3.04. Late Charges. Tenant acknowledges that Landlord shall incur certain additional unanticipated administrative and legal costs and expenses if Tenant fails to pay timely any payment required hereunder. Therefore, in addition to the other remedies available to Landlord hereunder, if any payment required to be paid by Tenant to Landlord hereunder shall become overdue, such unpaid amount shall bear interest from the due date thereof to the date of payment at the prime rate of interest, as reported in the Wall Street Journal (the "Prime Rate") plus six percent (6%) per annum.

ARTICLE 4 - SECURITY DEPOSIT

Upon execution and delivery of this Lease by Tenant, Tenant shall deposit the Security Deposit with Landlord as security for the performance by Tenant of all of Tenant's obligations contained in this Lease. In the event of a default by Tenant, Landlord may apply all or any part of the Security Deposit to cure all or any part of such default; provided, however, that any such application by Landlord shall not be or be deemed to be an election of remedies by Landlord or considered or deemed to be liquidated damages. Tenant agrees promptly, upon demand, to deposit such additional sum with Landlord as may be required to maintain the full amount of the Security Deposit. All sums held by Landlord pursuant to this Article 4 shall be without interest and may be commingled by Landlord. At the end of the Lease Term, provided that there is then no uncurred default or any repairs required to be made by Tenant pursuant to Section 2.03 above or Section 7.03 below, Landlord shall return the Security Deposit to Tenant.

ARTICLE 5 - OCCUPANCY AND USE

Section 5.01. Use. Tenant shall use the Leased Premises for the Permitted Use and for no other purpose without the prior written consent of Landlord. Tenant will be conducting certain classes and training activities at the Leased Premises, and to the extent such classes or activities, or any other matter related to Tenant's use and occupancy of the Leased Premises, require any special use, occupancy or other permit, Tenant shall cause such permit to be obtained at Tenant's sole cost and expense, and Tenant shall deliver a copy of such permit to Landlord. Tenant's "Child Advocacy Center", or any successor program providing substantially similar services, classes and training, shall use and occupy the Leased Premises, and any change in the user or occupant of the Leased Premises shall be subject to Landlord's prior written consent, notwithstanding such user's or occupant's affiliation with Tenant.

Section 5.02. Covenants of Tenant Regarding Use.

- (a) Tenant shall (i) use and maintain the Leased Premises and conduct its business thereon in a safe, careful, reputable and lawful manner, (ii) comply with all covenants that encumber the Building and all laws, rules, regulations, orders, ordinances, directions and requirements of any governmental authority or agency, now in force or which may hereafter be in force, including, without limitation, those which shall impose upon Landlord or Tenant any duty with respect to or triggered by a change in the use or occupation of, or any improvement or alteration to, the Leased Premises, and (iii) comply with and obey all reasonable directions, rules and requisitions of Landlord, including the Building Rules and Regulations attached hereto as Exhibit D and made a part hereof, as may be modified from time to time by Landlord on reasonable notice to Tenant.
- (b) Tenant shall not do or permit a nything to be done in or about the Leased Premises that will in any way cause a nuisance, obstruct or interfere with the rights of other tenants or occupants of the Building or injure or annoy them. Landlord shall not be responsible to Tenant for the non-performance by any other tenant or occupant of the Building of any of Landlord's directions, rules and regulations, but agrees that any enforcement thereof shall be done unit brindly. Tenant shall not use the Leased Premises, nor allow the Leased Premises to be used, for any purpare or in any manner that would (i) invalidate any policy of insurance now or hereafter carried by Landlor and the Building, or (ii) increase the rate of premiums payable on any such insurance policy unless Tenant reimburses Landlord for any increase in premium charged.
- (c) In the event that the Leased Premises is decimed to be a "place of public accommodation" under the Americans With Disabilities Act ("ADA") and any invitee, agent, employee, contractor, customer, guest or other visitor (an "Invitee") of Tenant requires special or necessary accommodations under the ADA (or any other law or regulation with similar intent), Tenant agrees that it shall be solely

responsible for providing such accommodations at its cost and expense; provided, however, that Tenant shall not be responsible for providing any modification to the common areas of the Building required by the ADA unless it arises from the specific use of Tenant or its Invitees in the Premises (as opposed to general office use).

Section 5.03. Landlord's Rights Regarding Use. Without limiting any of Landlord's rights specified elsewhere in this Lease (a) Landlord shall have the right at any time, without notice to Tenant, to control, change or otherwise alter the Common Areas in such manner as it deems necessary or proper, and (b) Landlord, its agents, employees and contractors and any mortgagee of the Building shall have the right to enter any part of the Leased Premises at reasonable times upon reasonable notice (except in the event of an emergency where no notice shall be required) for the purposes of examining or inspecting the same (including, without limitation, testing to confirm Tenant's compliance with this Lease), showing the same to prospective purchasers, mortgagees or tenants, and making such repairs, alterations or improvements to the Leased Premises or the Building as Landlord may deem necessary or desirable. Landlord shall incur no liability to Tenant for such entry, nor shall such entry constitute an eviction of Tenant or a termination of this Lease, or entitle Tenant to any abatement of rent therefor.

ARTICLE 6 - UTILITIES AND OTHER BUILDING SERVICES

<u>Section 6.01.</u> <u>Services to be Provided.</u> Provided Tenant is not in default, Landlord shall furnish to Tenant, except as noted below, the following utilities and other services to the extent reasonably necessary for Tenant's use of the Leased Premises for the Permitted Use, or as may be required by law or directed by governmental authority:

- (a) Heating, ventilation and air-conditioning between the hours of 8:00 a.m. and 6:00 p.m. Monday through Friday of each week ,except on legal public holidays celebrated by the federal government;
- (b) Electrical current within the Leased Premises not to exceed four (4) watts per square foot;
 - (c) Water in the Common Areas for lavatory and drinking purposes;
 - (d) Automatic elevator service;
- (e) Cleaning and janitorial service in the Leased Premises and Common Areas on Monday through Friday of each week except legal holidays; provided, however, Tenant shall be responsible for carpet cleaning other than routine vacuuming;
 - (f) Washing of windows at intervals reasonably established by Landlord;
- (g) Replacement of all lamper, bulbs, starters and ballasts in Building standard lighting as required from time to time as a result of normal usage; and
 - (h) Maintenance of the Common Areas, including the removal of rubbish, ice and snow.

Section 6.02. Additional Services.

- (a) If Tenant requests utilities of brilding services in addition to those identified above, or if Tenant uses any of the above utilities or service, in frequency, scope, quality or quantity substantially greater than that which Landlord determines is normally required by other tenants in the Building, then Landlord shall use reasonable efforts to attempt to fic raish Tenant with such additional utilities or services. In the event Landlord is able to and does firm, sh such additional utilities or services, the costs thereof (which shall be deemed to mean the cost that Tenant would have incurred had Tenant contracted directly with the utility company or service provider) shall be borne by Tenant, who shall reimburse Landlord monthly for the same as Additional Rent. Landlord shall also have the right to submeter or separately meter the Leased Premises at Tenant's sole cost, and Tenant shall pay such utilities based on the submeter or separate meter.
- Premises materially affect the temperature otherwise maintained by the Building's air-conditioning system or generate substantially more heat in the Leased Premises than that which would normally be generated by other tenants in the Building or by tenants in comparable office buildings, then Landlord shall have the right to install any machinery or equipment that 1 andlord considers reasonably necessary in order to restore the temperature balance between the Leased Premises and the rest of the Building, including, without limitation, equipment that modifies the Building's air-conditioning system. All costs

expended by Landlord to install any such machinery and equipment and any additional costs of operation and maintenance in connection therewith shall be borne by Tenant, who shall reimburse Landlord for the same as provided in this <u>Section 6.92</u>.

(c) Landlord may install one (1) or more supplemental heating, ventilation and airconditioning units (the "Supplemental HVAC Units") in the Leased Premises in connection with
performing the Tenant Improvements in accordance with Exhibit B. Tenant shall pay for all electricity
and other costs of operation and maintenance of the Supplemental HVAC Units, either by direct payment
to the provider or by reimbursement to Landlord within ten (10) days following receipt of a bill therefor.

Section 6.03. Interruption of Services. Tenant acknowledges and agrees that any one or more of the utilities or other services identified in Sections 6.01 or 6.02 or otherwise hereunder may be interrupted by reason of accident, emergency or other causes beyond Landlord's control, or may be discontinued or diminished temporarily by Landlord or other persons until certain repairs, alterations or improvements can be made. Landlord shall not be liable in damages or otherwise for any failure or interruption of any utility or service and no such failure or interruption shall entitle Tenant to terminate this Lease or withhold sums due hereunder.

ARTICLE 7 - REPAIRS, MAINTENANCE AND ALTERATIONS

Section 7.01. Repair and Maintenance of Building. Landlord shall make all necessary repairs and replacements to the roof, exterior walls, exterior doors, windows, corridors and other Common Areas, and Landlord shall keep the Building in a clean and neat condition and use reasonable efforts to keep all equipment used in common with other tenants in good condition and repair. The cost of such repairs, replacements and maintenance shall be included in Operating Expenses to the extent provided in Section 3.02; provided however, to the extent any such repairs, replacements or maintenance are required because of the negligence, misuse or default of Tenant, its employees, agents, contractors, customers or invitees, Landlord shall make such repairs at Tenant's sole expense.

Section 7.02. Repair and Maintenance of Leased Premises. Landlord shall keep and maintain the Leased Premises in good condition and repair. The cost of such repairs and maintenance to the Leased Premises shall be included in Operating Expenses; provided however, to the extent any repairs or maintenance are required in the Leased Premises because of the negligence, misuse or default of Tenant, its employees, agents, contractors, customers or invitees or are made at the specific request of Tenant, Landlord shall make such repairs or perform such maintenance at Tenant's sole expense. Notwithstanding the above, Tenant shall be solely responsible, at its sole cost, for any repair or replacement with respect to Tenant's Property (as defined in Section 8.01 below) located in the Leased Premises and for the maintenance, repair and replacement of the Supplemental HVAC Units and any other supplemental heating, ventilation and air-conditioning units or other equipment installed by Tenant within the Leased Premises with Landlord's prior written consent. Nothing in this Article 7 shall obligate Landlord or Tenant to repair normal wear and tear to any paint, wall covering or carpet in the Leased Premises.

Section 7.03. Alterations. Tenant shall not permit alterations in or to the Leased Premises unless and until Landlord has approved the plans therefor in writing. As a condition of such approval, Landlord may require Tenant to remove the alterations and restore the Leased Premises upon termination of this Lease; otherwise, all such a prations shall at Landlord's option become a part of the realty and the property of Landlord, and shall not be removed by Tenant. Tenant shall ensure that all alterations shall be made in accordance with all applicable laws, regulations and building codes, in a good and workmanlike manner and of quality count to or better than the original construction of the Building. No person shall be entitled to any lien derived through or under Tenant for any labor or material furnished to the Leased Premises, and nothing in this Lease shall be construed to constitute Landlord's consent to the creation of any lien. If any lien is filed against the Leased Premises for work claimed to have been done for or material claimed to have been furnished to Tenant, Tenant shall cause such lien to be discharged of record within thirty (30) days after filing. Tenant shall indemnify Landlord from all costs, losses, expenses and attorneys' fees in connection with any construction or alteration and any related lien, Tenant agrees that at Landlord's option, Duke Construction Limited Partnership or a subsidiary or affiliate of Landlord, who shall reveive a fee as Landlord's construction manager or general contractor, shall perform all work on any alterations to the Leased Premises.

ARTICLE 8 - INDEMNITY AND INSURANCE

Section 8.01. Release. All of Terant's trade fixtures, merchandise, inventory and all other personal property in or about the Leased Premises, the Building or the Common Areas, which is deemed to include the trade fixtures, merchandise, inventory and personal property of others located in or about the Leased Premises or Common Areas at the invitation, direction or acquiescence (express or implied)

of Tenant (all of which property shall be referred to herein, collectively, as "Tenant's Property"), shall be and remain at Tenant's sole risk. Landlord shall not be liable to Tenant or to any other person for, and Tenant hereby releases Landlord from (a) any and all liability for theft or damage to Tenant's Property, and (b) any and all liability for any injury to Tenant or its employees, agents, contractors, guests and invitees in or about the Leased Premises, the Building or the Common Areas, except to the extent of personal injury (but not property loss or damage) caused directly by the negligence or willful misconduct of Landlord, its agents, employees or contractors. Nothing contained in this Section 8.01 shall limit (or be deemed to limit) the waivers contained in Section 8.06 below. In the event of any conflict between the provisions of Section 8.06 below and this Section 8.01, the provisions of Section 8.06 shall prevail. This Section 8.01 shall survive the expiration or earlier termination of this Lease.

Section 8.02. Indemnification by Tenant. Tenant shall protect, defend, indemnify and hold Landlord, its agents, employees and contractors harmless from and against any and all claims, damages, demands, penalties, costs, liabilities, losses, and expenses (including reasonable attorneys' fees and expenses at the trial and appellate levels) to the extent (a) arising out of or relating to any act, omission, negligence, or willful misconduct of Tenant or Tenant's agents, employees, contractors, customers or invitees in or about the Leased Premises, the Building or the Common Areas, (b) arising out of or relating to any of Tenant's Property, or (c) arising out of any other act or occurrence within the Leased Premises, in all such cases except to the extent of personal injury (but not property loss or damage) caused directly by the negligence or willful misconduct of Landlord, its agents, employees or contractors. Nothing contained in this Section 8.02 shall limit (or be deemed to limit) the waivers contained in Section 8.06 below. In the event of any conflict between the provisions of Section 8.06 below and this Section 8.02, the provisions of Section 8.06 shall prevail. This Section 8.02 shall survive the expiration or earlier termination of this Lease.

Section 8.03. Indemnification by Landlord. Landlord shall protect, defend, indemnify and hold Tenant, its agents, employees and contractors harmless from and against any and all claims, damages, demands, penalties, costs, liabilities, losses and expenses (including reasonable attorneys' fees and expenses at the trial and appellate levels) to the extent arising out of or relating to any act, omission, negligence or willful misconduct of Landlord or Landlord's agents, employees or contractors (excluding any liabilities from which Landlord has been specifically expressly by the terms of this Lease). Nothing contained in this Section 8.03 shall limit (or be deemed to limit) the waivers contained in Section 8.06 below. In the event of any conflict between the provisions of Section 8.06 below and this Section 8.03, the provisions of Section 8.06 shall prevail. This Section 8.03 shall survive the expiration or earlier termination of this Lease.

Section 8.04. Tenant's Insurance.

- (a) During the Law Term (and any period of early entry or occupancy or holding over by Tenant, if applicable), Tenant shall maintain the following types of insurance, in the amounts specified below:
- (i) <u>Liability Insurance</u>. Commercial General Liability Insurance (which insurance shall not exclude blanket, contractual liability, broad form property damage, personal injury, or fire damage coverage) covering the Leased Premises and Tenant's use thereof against claims for bodily injury or death and property damage, which insurance shall provide coverage on an occurrence basis with a per occurrence limit of not less than \$10,000,000 for each policy year, which limits may be satisfied by any combination of primary and excess or umbrella per occurrence policies.
- (ii) <u>Property Insurance</u>. Special Form Insurance (which insurance shall not exclude flood or earthquake) in the amount of the full replacement cost of Tenant's Property and betterments (including alterations or additions performed by Tenant pursuant hereto, but excluding those improvements, if any, made pursuant to <u>Section 2.02</u> above), which insurance shall include an agreed amount endorsement waiving coinsurance limitations.
- (iii) <u>Worker's Compensation insurance</u>. Worker's Compensation insurance in amounts required by applicable law.
- (iv) <u>Business Interruption Insurance</u> Business Interruption Insurance with limits not less than an amount equal to two (2) years rent hereunder.
- (b) All insurance required by Tenant hereunder shall (i) be issued by one or more insurance companies reasonably acceptable to Landlord, licensed to do business in the State in which the Leased Premises is located and having an AM Best's rating of A IX or better, and (ii) provide that said insurance shall not be materially changed, canceled or permitted to lapse on less than thirty (30) days' prior written

notice to Landlord. In addition, Tenant's insurance shall protect Tenant and Landlord as their interests may appear, naming (1) Landlord, (2) Duke Realty Limited Partnership, (3) Landlord's managing agent, Duke Realty Services LLC (or any successor), and (4) any mortgagee requested by Landlord, as additional insureds under its commercial general liability policies. On or before the Commencement Date (or the date of any earlier entry or occupancy by Tenant), and thereafter, within thirty (30) days prior to the expiration of each such policy, Tenant shall furnish Landlord with certificates of insurance in the form of ACORD 25 or ACORD 25-S (or other evidence of insurance reasonably acceptable to Landlord), evidencing all required coverages, together with a copy of the endorsements to Tenant's commercial general liability policy evidencing primary and non-contributory coverage offered to the appropriate additional insureds. Upon Tenant's receipt of a request from Landlord, Tenant shall provide Landlord with copies of all insurance policies, including all endorsements, evidencing the coverages required hereunder. If Tenant fails to carry such insurance and furnish Landlord with such certificates of insurance or copies of insurance policies (if applicable), Landlord may obtain such insurance on Tenant's behalf and Tenant shall reimburse Landlord upon demand for the cost thereof as Additional Rent. Landlord reserves the right from time to time to require Tenant to obtain higher minimum amounts or different types of insurance if it becomes customary for other landlords of similar buildings in the area to require similar sized tenants in similar industries to carry insurance of such higher minimum amounts or of such different types.

<u>Section 8.05</u>. <u>Landlord's Insurance</u>. During the Lease Term, Landlord shall maintain the following types of insurance, in the amounts specified below (the cost of which shall be included in Operating Expenses):

- (a) <u>Liability Insurance</u>. Commercial General Liability Insurance (which insurance shall not exclude blanket, contractual liability, broad form property damage, personal injury, or fire damage coverage) covering the Common Areas against claims for bodily injury or death and property damage, which insurance shall provide coverage on an occurrence basis with a per occurrence limit of not less than \$3,000,000, and with general aggregate limits of not less than \$10,000,000 for each policy year, which limits may be satisfied by any combination of primary and excess or umbrella per occurrence policies.
- (b) <u>Property Insurance</u>. Special Form Insurance (which insurance shall not exclude flood or earthquake) in the amount of the full replacement cost of the Building, including, without limitation, any improvements, if any, made pursuant to <u>Section 2.02</u> above, but excluding Tenant's Property and any other items required to be insured by Tenant pursuant to <u>Section 8.04</u> above.

Section 8.06. Waiver of Subrogation. Notwithstanding anything contained in this Lease to the contrary, Landlord and Tenant hereby waive any rights each may have against the other on account of any loss of or damage to their respective property, the Leased Premises, its contents, or other portions of the Belding or Common Areas arising from any risk which is required to be insured against by Sections 8.04(a)(u) and 8.05(b) above. The special form coverage insurance policies maintained by Landlord and Tenant as provided in this Lease shall include an endorsement containing an express waiver of any rights of subrogation by the insurance empany against Landlord and Tenant, as applicable.

ARTICLE 9 - CASUALTY

In the event of total or partial destruction of the Building or the Leased Premises by fire or other casualty, Landlord agrees promptly to restore and repair same; provided, however, Landlord's obligation hereunder with respect to the Leased Premises shall be limited to the reconstruction of such of the leasehold improvements as were originally required to be made by Landlord pursuant to Section 2.02 above, if any. Rent shall proportionately above during the time that the Leased Premises or part thereof are unusable because of any such damage. Notwithstanding the foregoing, if the Leased Premises are (a) so destroyed that they cannot be repaired or rebuilt within two hundred ten (210) days from the casualty date; or (b) destroyed by a casualty that is not covered by the insurance required hereunder or, if covered, such insurance proceeds are not released by any mortgagee entitled thereto or are insufficient to rebuild the Building and the Leased Premises; then, in case of a clause (a) casualty, either Landlord or Tenant may, or, in the case of a clause (b) casualty, then Landlord may, upon thirty (30) days' written notice to the other party, terminate this Lease with respect to matters thereafter accruing. Tenant waives any right under applicable laws inconsistent.

CITICLE 10 - ENIMENT DOMAIN

If all or any substantial part of the Building or Common Areas shall be acquired by the exercise of eminent domain, Landlord may terminate this Lease by giving written notice to Tenant on or before the date possession thereof is so taken. In all or any part of the Leased Premises shall be acquired by the exercise of eminent domain so that the Leased Premises shall become impractical for Tenant to use for

the Permitted Use, Tenant may terminate this Lease by giving written notice to Landlord as of the date possession thereof is so taken. All damages awarded shall belong to Landlord; provided, however, that Tenant may claim dislocation damages if such amount is not subtracted from Landlord's award.

ARTICLE 11 - ASSIGNMENT AND SUBLEASE

Section 11.01. Assignment and Sublease.

- (a) Tenant shall not assign this Lease or sublet the Leased Premises in whole or in part, or use the Leased Premises for other than the "Child Advocacy Center" described above, without Landlord's prior written consent. In the event of any permitted assignment or subletting, Tenant shall remain primarily liable hereunder, and any extension, expansion, rights of first offer, rights of first refusal or other options granted to Tenant under this Lease shall be rendered void and of no further force or effect. The acceptance of rent from any other person or agency shall not be deemed to be a waiver of any of the provisions of this Lease or to be a consent to the assignment of this Lease, the subletting of the Leased Premises, or the change in use. Any assignment, sublease, or change of use consented to by Landlord shall not relieve Tenant (or its assignee) from obtaining Landlord's consent to any subsequent assignment, sublease or change in use.
- withheld consent to a proposed assignment, sublease or change in use if in Landlord's opinion (i) the Leased Premises are or may be in any way adversely affected; (ii) the business reputation of the proposed assignee or subtenant is unacceptable; (iii) the financial worth of the proposed assignee or subtenant is insufficient to meet the obligations hereunder, or (iv) the prospective assignee or subtenant is a current tenant at the Park or is a bona-fide third-party prospective tenant. Landlord further expressly reserves the right to refuse to give its consent to any subletting if the proposed rent is publicly advertised to be less than the then current rent for similar premises in the Building. If Landlord refuses to give its consent to any proposed assignment or subletting, Landlord may, at its option, within thirty (30) days after receiving a request to consent, terminate this Lease by giving Tenant thirty (30) days prior written notice of such termination, whereupon each party shall be released from all further obligations and liability hereunder, except those which expressly survive the termination of this Lease.
- (c) If Tenant shall make any assignment or sublease, with Landlord's consent, for a rental in excess of the rent payable under this Lease, Tenant shall pay to Landlord fifty percent (50%) of any such excess rental upon receipt. Tenant agrees to pay Landlord \$500.00 upon demand by Landlord for reasonable accounting and attorneys' fees incurred in conjunction with the processing and documentation of any requested assignment, subletting or any other hypothecation of this Lease or Tenant's interest in and to the Leased Premises as consideration for Landlord's consent.

ARTICLE 12 - TRANSFERS BY LANDLORD

<u>Section 12.01</u>. <u>Sale of the Building</u>. Landlord shall have the right to sell the Building at any time during the Lease Term, subject only to the rights of Tenant hereunder; and such sale shall operate to release Landlord from liability hereunder after the date of such conveyance.

Section 12.02. Estoppel Certificate. Within ten (10) days following receipt of a written request from Landlord, Tenant shall execute and deliver to Landlord, without cost to Landlord, an estoppel certificate in such form as Landlord may reasonably request certifying (a) that this Lease is in full force and effect and unmodified or stating the nature of any modification, (b) the date to which rent has been paid, (c) that there are not, to Tenant's knowledge, any uncured defaults or specifying such defaults if any are claimed, and (d) any other matters or state of facts reasonably required respecting the Lease. Such estoppel may be relied upon by Landlord and by any purchaser or mortgagee of the Building.

Section 12.03. Subordination. Landlord shall have the right to subordinate this Lease to any mortgage, deed to secure debt, deed of trust or other instrument in the nature thereof, and any amendments or modifications thereto (collectively, a "Mortgage") presently existing or hereafter encumbering the Building by so declaring in such Mortgage. Within ten (10) days following receipt of a written request from Landlord, Tenant shall execute and deliver to Landlord, without cost, any instrument that Landlord deems reasonably necessary or desirable to confirm the subordination of this Lease. Notwithstanding the foregoing, if the holder of the Mortgage shall take title to the Leased Premises through foreclosure or deed in licu of foreclosure, Tenant shall be allowed to continue in possession of the Leased Premises as provided for in this Lease so long as Tenant is not in Default.

ARTICLE 13 - DEFAULT AND REMEDY

Section 13.01. Default. The occurrence of any of the following shall be a "Default":

- (a) Tenant fails to pay any Monthly Rental Installments or Additional Rent within five (5) days after the same is due. Landlord acknowledges and agrees that Tenant shall not be in Default under this subsection (a) to the extent that the Bank Account contained sufficient funds, but Landlord failed to withdraw the Monthly Rental Installments as permitted in Section 3.01 above or the Additional Rent as permitted in Section 3.03 above.
- (b) Tenant fails to perform or observe any other term, condition, covenant or obligation required under this Lease for a period of thirty (30) days after written notice thereof from Landlord; provided, however, that if the nature of Tenant's default is such that more than thirty (30) days are reasonably required to cure, then such default shall be deemed to have been cured if Tenant commences such performance within said thirty (30) day period and thereafter diligently completes the required action within a reasonable time.
- (c) Tenant shall vacate or abandon the Leased Premises, or fail to occupy the Leased Premises or any substantial portion thereof for a period of thirty (30) days.
- (d) Tenant shall assign or sublet all or a portion of the Leased Premises, or change the use thereof, in contravention of the provisions of <u>Article 11</u> of this Lease.
- (e) All or substantially all of Tenant's assets in the Leased Premises or Tenant's interest in this Lease are attached or levied under execution (and Tenant does not discharge the same within sixty (60) days thereafter); a petition in bankruptcy, insolvency or for reorganization or arrangement is filed by or against Tenant (and Tenant fails to secure a stay or discharge thereof within sixty (60) days thereafter); Tenant is insolvent and unable to pay its debts as they become due; Tenant makes a general assignment for the benefit of creditors; Tenant takes the benefit of any insolvency action or law; the appointment of a receiver or trustee in bankruptcy for Tenant or its assets if such receivership has not been vacated or set aside within thirty (30) days thereafter; or, dissolution or other termination of Tenant's corporate charter if Tenant is a corporation.

In addition to the defaults described above, the parties agree that if Tenant receives written notice of a violation of the performance of any (but not necessarily the same) term or condition of this Lease three (3) or more times during any twelve (12) month period, regardless of whether such violations are ultimately cured, then such conduct shall, at Landlord's option, represent a separate Default.

Section 13.02. Remedies. Upon the occurrence of any Default, Landlord shall have the following rights and remedies, in addition to those stated elsewhere in this Lease and those allowed by law or in equity, any one or more of which may be exercised without further notice to Tenant:

- (a) Landlord may re-enter the Leased Premises and cure any Default of Tenant, and Tenant shall reimburse Landlord as Additional Rent for any costs and expenses which Landlord thereby incurs; and Landlord shall not be liable to Tenant for any loss or damage which Tenant may sustain by reason of Landlord's action.
- Without terminating this Lease, Landlord may terminate Tenant's right to possession of the Leased Premises, and thereafter, neither Tenant nor any person claiming under or through Tenant shall be entitled to possession of the Leased Premises or any services to be provided by Landlord hereunder, and Tenant shall immediately surrender the Leased Premises to Landlord, and Landlord may re-enter the Leased Premises and dispossess Tenant and any other occupants of the Leased Premises by any lawful means and may remove their effects, without prejudice to any other remedy that Landlord may have. Upon termination of possession, Landlord may (i) re-let all or any part thereof for a term different from that which would otherwise have constituted the balance of the Lease Term and for rent and on terms and conditions different from those contained herein, whereupon Tenant shall be immediately obligated to pay to Landlord an amount equal to the present value (discounted at the Prime Rate) of the difference between the rent provided for herein and that provided for in any lease covering a subsequent re-letting of the Leased Premises, for the period which would otherwise have constituted the balance of the Lease Term (the "Accelerated Rent Difference") (it being understood that if Landlord collects rent pursuant to such re-letting in excess of the rent provided herein. Tenant shall not be entitled to any credit therefor), or (ii) without re-letting, declare the present value (discounted at the Prime Rate) of all rent which would have been due under this Lease for the balance of the Lease Term to be immediately due and payable as liquidated damages (the "Accelerated Rent"). Upon termination of possession, Tenant shall be obligated to pay to Landlord (A) the Accelerated Rent Difference or the Accelerated Rent, whichever is applicable, (B) all loss or damage that Landlord may sustain by reason of

Tenant's Default ("Default Damages"), which shall include, without limitation, expenses of preparing the Leased Premises for re-letting, demolition, repairs, tenant finish improvements, brokers' commissions and attorneys' fees, and (C) all unpaid Minimum Annual Rent and Additional Rent that accrued prior to the date of termination of possession, plus any interest and late fees due hereunder (the "Prior Obligations").

- (c) Landlord may terminate this Lease and declare the Accelerated Rent to be immediately due and payable, whereupon Tenant shall be obligated to pay to Landlord (i) the Accelerated Rent, (ii) all of Landlord's Default Damages, and (iii) all Prior Obligations. It is expressly agreed and understood that all of Tenant's liabilities and obligations set forth in this subsection (c) shall survive termination.
- (d) Landlord and Tenant acknowledge and agree that the payment of the Accelerated Rent Difference or the Accelerated Rent as set above shall not be deemed a penalty, but merely shall constitute payment of liquidated damages, it being understood that actual damages to Landlord are extremely difficult, if not impossible, to ascertain. Neither the filing of a dispossessory proceeding nor an eviction of personalty in the Leased Premises shall be deemed to terminate the Lease.
- (e) Landlord may sue for injunctive relief or to recover damages for any loss resulting from the Default.

Section 13.03. Landlord's Default and Tenant's Remedies. Landlord shall be in default if it fails to perform any term, condition, covenant or obligation required under this Lease for a period of thirty (30) days after written notice thereof from Tenant to Landlord; provided, however, that if the term, condition, covenant or obligation to be performed by Landlord is such that it cannot reasonably be performed within thirty (30) days, such default shall be deemed to have been cured if Landlord commences such performance within said thirty-day period and thereafter diligently undertakes to complete the same. Upon the occurrence of any such default, Tenant may sue for injunctive relief or to recover damages for any loss directly resulting from the breach, but Tenant shall not be entitled to terminate this Lease, take any action to cure Landlord's default, or withhold, offset or abate any sums due hereunder.

Section 13.04. Limitation of Landlord's Liability. If Landlord shall fail to perform any term, condition, covenant or obligation required to be performed by it under this Lease and if Tenant shall, as a consequence thereof, recover a money judgment against Landlord, Tenant agrees that it shall look solely to Landlord's right, title and interest in and to the Building for the collection of such judgment; and Tenant further agrees that no other assets of Landlord shall be subject to levy, execution or other process for the satisfaction of Tenant's judgment.

Section 13.05. Nonwaiver of Defaults. Neither party's failure or delay in exercising any of its rights or remedies or other provisions of this Lease shall constitute a waiver thereof or affect its right thereafter to exercise or enforce such right or remedy or other provision. No waiver of any default shall be deemed to be a waiver of any other default. Landlord's receipt of less than the full rent due shall not be construed to be other than a payment on account of rent then due, nor shall any statement on Tenant's check or any letter accompanying Tenant's check be deemed an accord and satisfaction. No act or omission by Landlord or its employees or agents during the Lease Term shall be deemed an acceptance of a surrender of the Leased Premises, and no agreement to accept such a surrender shall be valid unless in writing and signed by Landlord.

Section 13.06. Attorneys' Fees. If either party defaults in the performance or observance of any of the terms, conditions, covenants or obligations contained in this Lease and the non-defaulting party obtains a judgment against the defaulting party, then the defaulting party agrees to reimburse the non-defaulting party for reasonable attorneys' fees incurred in connection therewith. In addition, if a monetary Default shall occur and Landlord engages outside counsel to exercise its remedies hereunder, and then Tenant cures such monetary Default, Tenant shall pay to Landlord, on demand, all expenses incurred by Landlord as a result thereof, including reasonable attorneys' fees, court costs and expenses actually incurred.

ARTICLE 14 - LANDLORD'S RIGHT TO RELOCATE TENANT

Landlord shall have the right upon at least thirty (30) days' prior written notice to Tenant to relocate Tenant and to substitute for the Leased Premises other space in the Building or in another building owned by Landlord, or an affiliated entity of Landlord, in the vicinity containing at least as much square footage as the Leased Premises. Landlord shall improve such substituted space, at its expense, with improvements at least equal in quantity and quality to those in the Leased Premises. Landlord shall reimburse Tenant for all reasonable third party expenses incurred in connection with, and caused by, such relocation. In no event shall Landlord be liable to Tenant for any consequential damages as a result of any such relocation, including, but not limited to, loss of business income or opportunity.

ARTICLE 15 - TENANT'S RESPONSIBILITY REGARDING ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES

Section 15.01. Environmental Definitions.

- (a) "Environmental Laws" shall mean all present or future federal, state and municipal laws, ordinances, rules and regulations applicable to the environmental and ecological condition of the Leased Premises, and the rules and regulations of the Federal Environmental Protection Agency and any other federal, state or municipal agency or governmental board or entity having jurisdiction over the Leased Premises.
- (b) "Hazardous Substances" shall mean those substances included within the definitions of "hazardous substances," "hazardous materials," "toxic substances," "solid waste" or "infectious waste" under Environmental Laws and petroleum products.
- Section 15.02. Restrictions on Tenant. Tenant shall not cause or permit the use, generation, release, manufacture, refining, production, processing, storage or disposal of any Hazardous Substances on, under or about the Leased Premises, or the transportation to or from the Leased Premises of any Hazardous Substances, except as necessary and appropriate for its Permitted Use in which case the use, storage or disposal of such Hazardous Substances shall be performed in compliance with the Environmental Laws and the highest standards prevailing in the industry.
- Section 15.03. Notices, Affidavits, Etc. Tenant shall immediately (a) notify Landlord of (i) any violation by Tenant, its employees, agents, representatives, customers, invitees or contractors of any Environmental Laws on, under or about the Leased Premises, or (ii) the presence or suspected presence of any Hazardous Substances on, under or about the Leased Premises, and (b) deliver to Landlord any notice received by Tenant relating to (a)(i) and (a)(ii) above from any source. Tenant shall execute affidavits, representations and the like within five (5) days of Landlord's request therefor concerning Tenant's best knowledge and belief regarding the presence of any Hazardous Substances on, under or about the Leased Premises.
- Section 15.04. Tenant's Indemnification. Tenant shall indemnify Landlord and Landlord's managing agent from any and all claims, losses, liabilities, costs, expenses and damages, including attorneys' fees, costs of testing and remediation costs, incurred by Landlord in connection with any breach by Tenant of its obligations under this Article 15. The covenants and obligations under this Article 15 shall survive the expiration or earlier termination of this Lease.
- Section 15.05. Existing Conditions. Notwithstanding anything contained in this Article 15 to the contrary, Tenant shall not have any liability to Landlord under this Article 15 resulting from any conditions existing, or events occurring, or any Hazardous Substances existing or generated, at, in, on, under or in connection with the Leased Premises prior to the Commencement Date of this Lease (or any earlier occupancy of the Leased Premises by Tenant) except to the extent Tenant exacerbates the same.

ARTICLE 16 - MISCELLANEOUS

- <u>Section 16.01</u>. <u>Benefit of Landlord and Tenant</u>. This Lease shall inure to the benefit of and be binding upon Landlord and Tenant and their respective successors and assigns.
- <u>Section 16.02</u>. <u>Governing Law</u>. This Lease shall be governed in accordance with the laws of the State where the Building is located.
- Section 16.03. Force Majeure. Landlord and Tenant (except with respect to the payment of any monetary obligation or the cure of any non-monetary default which raises a life/safety issue with respect to the Building or its occupants, including a threat of physical or personal injury) shall be excused for the period of any delay in the performance of any obligation hereunder when such delay is occasioned by causes beyond its control, including but not limited to work stoppages, boycotts, slowdowns or strikes; shortages of materials, equipment, labor or energy; unusual weather conditions; or acts or omissions of governmental or political bodies.
- Section 16.04. Examination of Lease. Submission of this instrument by Landlord to Tenant for examination or signature does not constitute an offer by Landlord to lease the Leased Premises. This Lease shall become effective, if at all, only upon the execution by and delivery to both Landlord and Tenant. Execution and delivery of this Lease by Tenant to Landlord constitutes an offer to lease the Leased Premises on the terms contained herein. The offer by Tenant will be irrevocable until 6:00 p.m. EST, fifteen (15) days after the date Landlord receives the Lease executed by Tenant.

Section 16.05. Indemnification for Leasing Commissions. The parties hereby represent and warrant that the only real estate brokers involved in the negotiation and execution of this Lease are the Brokers and that no other party is entitled, as a result of the actions of the respective party, to a commission or other fee resulting from the execution of this Lease. Each party shall indemnify the other from any and all liability for the breach of this representation and warranty on its part and shall pay any compensation to any other broker or person who may be entitled thereto. Landlord shall pay any commissions due Brokers based on this Lease pursuant to separate agreements between Landlord and Brokers.

Section 16.06. Notices. Any notice required or permitted to be given under this Lease or by law shall be deemed to have been given if it is written and delivered in person or by overnight courier or mailed by certified mail, postage prepaid, to the party who is to receive such notice at the address specified in Section 1.01(1). If sent by overnight courier, the notice shall be deemed to have been given one (1) day after sending. If mailed, the notice shall be deemed to have been given on the date that is three (3) business days following mailing. Either party may change its address by giving written notice thereof to the other party.

Section 16.07. Partial Invalidity: Complete Agreement. If any provision of this Lease shall be held to be invalid, void or unenforceable, the remaining provisions shall remain in full force and effect. This Lease represents the entire agreement between Landlord and Tenant covering everything agreed upon or understood in this transaction. There are no oral promises, conditions, representations, understandings, interpretations or terms of any kind as conditions or inducements to the execution hereof or in effect between the parties. No change or addition shall be made to this Lease except by a written agreement executed by Landlord and Tenant.

Section 16.08. Financial Statements. During the Lease Term and any extensions thereof, Tenant shall provide to Landlord on an annual basis, within ninety (90) days following the end of Tenant's fiscal year, a copy of Tenant's most recent financial statements prepared as of the end of Tenant's fiscal year. Such financial statements shall be signed by Tenant or an officer of Tenant, if applicable, who shall attest to the truth and accuracy of the information set forth in such statements, or if the Minimum Annual Rent hereunder exceeds \$100,000.00, said statements shall be certified and audited. All financial statements provided by Tenant to Landlord hereunder shall be prepared in conformity with generally accepted accounting principles, consistently applied.

Section 16.09. Representations and Warranties.

- (a) Tenant hereby represents and warrants that (i) Tenant is duly organized, validly existing and in good standing (if applicable) in accordance with the laws of the State under which it was organized; (ii) Tenant is authorized to do business in the State where the Building is located; and (iii) the individual(s) executing and delivering this Lease on behalf of Tenant has been properly authorized to do so, and such execution and delivery shall bind Tenant to its terms.
- (b) Landlord hereby represents and warrants that (i) Landlord is duly organized, validly existing and in good standing (if applicable) in accordance with the laws of the State under which it was organized; (ii) Landlord is authorized to do business in the State where the Building is located; and (iii) the individual(s) executing and delivering this Lease on behalf of Landlord has been properly authorized to do so, and such execution and delivery shall bind Landlord to its terms.

Section 16.10. Signage. Landlord, at its cost and expense, shall provide the Tenant with Building standard signage in the Building directory, if any, and at the main suite entry door to the Leased Premises. Any changes requested by Tenant to the initial directory or suite signage shall be made at Tenant's sole cost and expense and shall be subject to Landlord's approval. Landlord may install such other signs, advertisements, notices or tenant identification information on the Building directory, tenant access doors or other areas of the Building, as it shall deem necessary or proper. Tenant shall not place any exterior signs on the Leased Premises or interior signs visible from the exterior of the Leased Premises without the prior written consent of Landlord. Notwithstanding any other provision of this Lease to the contrary, Landlord may immediately remove any sign(s) placed by Tenant in violation of this Section 16.10.

Section 16.11. Parking. Tenant shall be entitled to use (on a non-exclusive first-come, first-served basis) the Parking Permits (as defined in Section 1.01(m)) for the unreserved parking of passenger automobiles in the parking areas designated for the Building by Landlord. No vehicle may be repaired or serviced in the parking area and any vehicle brought into the parking area by Tenant, or any of Tenant's employees, contractors or invitees, and deemed abandoned by Landlord will be towed and all costs thereof shall be borne by the Tenant. All driveways, ingress and egress, and all parking spaces are for the joint use

of all tenants. There shall be no parking permitted on any of the streets or roadways located within the Park. In addition, Tenant agrees that its employees will not park in the spaces designated visitor parking or in any spaces designated as "reserved" spaces. Landlord may establish and modify rules and regulations governing the use of such parking areas, and Landlord may revoke a user's parking privileges in the event such user fails to abide by such rules and regulations, whether provided in this Lease or otherwise. Tenant shall not assign or sublet any parking rights granted to Tenant herein, and any attempted assignment or sublease shall be null and void.

<u>Section 16.12</u>. <u>Consent</u>. Where the consent of a party is required, such consent will not be unreasonably withheld.

Section 16.13. Time. Time is of the essence of each term and provision of this Lease.

Section 16.14. Patriot Act. Each of Landlord and Tenant, each as to itself, hereby represents its compliance with all applicable anti-money laundering laws, including, without limitation, the USA Patriot Act, and the laws administered by the United States Treasury Department's Office of Foreign Assets Control, including, without limitation, Executive Order 13224 ("Executive Order"). Each of Landlord and Tenant further represents (i) that it is not, and it is not owned or controlled directly or indirectly by any person or entity, on the SDN List published by the United States Treasury Department's Office of Foreign Assets Control and (ii) that it is not a person otherwise identified by government or legal authority as a person with whom a U.S. Person is prohibited from transacting business. As of the date hereof, a list of such designations and the text of the Executive Order are published under the internet website address www.ustreas.gov/offices/enforcement/ofac.

ARTICLE 17 - TERMINATION OPTION

Section 17.01. Option to Terminate. Provided that (a) no default has occurred and is then continuing, and (b) Tenant originally named herein remains in possession of, and has been continuously operating the "Child Advocacy Center" in the entire Leased Premises throughout the Lease Term, Tenant shall have the right to terminate the Lease effective as of the fifth (5th) anniversary of the Commencement Date. In order to exercise such termination right, Tenant shall notify Landlord of such exercise in writing at least two hundred seventy (270) days prior to the effective date of such termination, and together with such notice, Tenant shall deliver to Landlord, as an agreed upon termination fee, an amount equal to the sum of the amortized portion (amortized on a straight-line basis over the number of months comprising the initial term of this Lease) of the brokerage commissions paid by Landlord in connection with the Lease. Such payment is made in consideration of Landlord's grant of this option to terminate and to compensate Landlord for rental and other concessions given to Tenant in connection with this Lease, and for other good and valuable consideration. The termination fee does not constitute payment of rent to Landlord. If Tenant fails to notify Landlord by the deadline set forth above, Tenant shall have waived Tenant's termination right for the remainder of the term of the Lease and any extensions thereof. If Tenant provides both the termination notice and the termination payment to Landlord but fails to vacate the Leased Premises completely and in the condition required by this Lease on or before the Termination Date, then, at Landlord's option, (A) Tenant shall be treated as a holdover tenant subject to the terms of Section 2.04 hereof, or (B) Tenant's right to terminate this Lease pursuant to this Article 17 shall be nullified and of no further force or effect (in which event Landlord shall return to Tenant the termination payment received by Landlord, less any damages incurred by Landlord in connection with such failure to vacate). The right to terminate this Lease pursuant to this Article 17 is personal to Tenant, and may not be exercised by any transferee or assignee of Tenant.

(SIGNATURES CONTAINED ON FOLLOWING PAGE)

IN WITNESS WHEREOF, the parties hereto have executed this Lease under seal as of the day and year first above written. LANDLORD: WITNESS: MARK CENTER BUILDINGS II, LLC, a Delaware limited liability company By: WTM Master Building, LLC, a Delaware limited liability company, its sole member By: Duke Realty Limited Partnership, an Indiana limited partnership, its sole member By: Duke Realty Corporation, an Indiana corporation, its sole general partner Name: Peter Scholz Senior Vice President TENANT: WITNESS: CITY OF ALEXANDRIA a municipal corporation of the Commonwealth of Virginia By: Name: Title: STATE OF _ COUNTY OF _ Before me, a Notary Public in and for said County and State, personally appeared ____, by me known and by me known to be the _____ , who acknowledged the execution of the foregoing "Office Lease" on behalf of said entity. WITNESS my hand and Notarial Seal this ____ day of ___ Notary Public (Printed Signature)

S:\Leases\CityofAlex,CAC.1900NB.Oct06.v1

My County of Residence:

My Commission Expires:

EXHIBIT A

PLAN OF LEASED PREMISES

[TO BE ADDED]

EXHIBIT B

TENANT IMPROVEMENTS

1. <u>Landlord's Obligations</u>. Tenant has personally inspected the Building and Leased Premises and accepts the same "AS IS" without representation or warranty by Landlord of any kind and with the understanding that Landlord shall have no responsibility with respect thereto except to construct and install within the Leased Premises, in a good and workmanlike manner, the Tenant Improvements, in accordance with this <u>Exhibit B</u>.

Construction Drawings, Cost Statement and Allowance.

- Promptly following the date hereof, Tenant will work with Landlord's space planner to develop a space plan for the Leased Premises that is reasonably acceptable to Landlord (the "Space Plan"). Tenant shall deliver the Space Plan to Landlord within ten (10) days following full execution and delivery this Lease. Within thirty (30) days after Landlord's approval of the Space Plan, Landlord shall prepare and submit to Tenant (i) a set of construction drawings (the "CD's") covering all work to be performed by Landlord in constructing the Tenant Improvements in accordance with the Space Plan, and (ii) a statement of the estimated costs to design, permit, construct and install the Tenant Improvements (excluding costs of any work to be done by Tenant) (the "Cost Statement"). Tenant acknowledges and agrees that (A) Tenant shall pay all expenses incurred in connection with the design, permitting and construction of the Tenant Improvements (subject to application of the Allowance described below), including a fee payable to the project's general contractor and a construction management fee of five percent (5%) of all costs incurred by Landlord in connection with the Tenant Improvements, which shall be payable to the project's construction manager and (B) such construction manager shall be comprised of a subsidiary, affiliate or employees of Landlord. Tenant shall have five (5) days after receipt of the CD's and the Cost Statement in which to review both the CD's and the Cost Statement and to give Landlord written notice of Tenant's approval of the CD's or its requested changes thereto. Tenant shall have no right to request any changes to the CD's that would materially alter the exterior appearance or basic nature of the Building or the Building systems. If Tenant fails to approve or request changes to the CD's within five (5) days after its receipt thereof, then Tenant shall be deemed to have approved the CD's and the Cost Statement and the same shall thereupon be final. If Tenant requests any changes to the CD's, Landlord shall make those changes which are reasonably requested by Tenant and shall within ten (10) days of its receipt of such request submit the revised portion of the CD's (and, to the extent applicable, the revised Cost Statement) to Tenant. Tenant may not thereafter disapprove the revised portions of the CD's unless Landlord has unreasonably failed to incorporate reasonable comments of Tenant and, subject to the foregoing, the CD's and the Cost Statement, as modified by said revisions, shall be deemed to be final upon the submission of said revisions to Tenant. Tenant shall at all times in its review of the CD's and the Cost Statement, and of any revisions thereto, act reasonably and in good faith. Without limiting the foregoing, Tenant agrees to confirm Tenant's consent to the CD's and acknowledge the Cost Statement in writing within three (3) days following Landlord's written request therefor.
- (b) Tenant shall be responsible for the cost to design, permit, construct and install the Tenant Improvements, and shall pay Landlord an amount equal to such total costs within thirty (30) days following Substantial Completion of the Tenant Improvements and Tenant's receipt of a reasonably detailed statement of costs.
- Schedule and Early Occupancy. Landlord shall provide Tenant with a proposed schedule for the construction and installation of the Tenant Improvements and shall notify Tenant of any material changes to said schedule. Tenant agrees to coordinate with Landlord regarding the installation of Tenant's phone and data wiring and any other trade related fixtures that will need to be installed in the Leased Premises prior to Substantial Completion. In addition, if and to the extent permitted by applicable laws, rules and ordinances, Tenant shall have the right to enter the Leased Premises for ten (10) days prior to the scheduled date for Substantial Completion (as may be modified from time to time) in order to install fixtures and otherwise prepare the Leased Premises for occupancy, which right shall expressly exclude making any structural modifications. During any entry prior to the Commencement Date (a) Tenant shall comply with all terms and conditions of this Lease other than the obligation to pay rent, (b) Tenant shall not interfere with Landlord's completion of the Tenant Improvements, (c) Tenant shall cause its personnel and contractors to comply with the terms and conditions of Landlord's rules of conduct (which Landlord agrees to furnish to Tenant upon request), and (d) Tenant shall not begin operation of its business. Landlord may revoke Tenant's right to enter the Premises prior to the scheduled date of Substantial Completion if Tenant, its employees or contractors fail to comply with the requirements of this paragraph 3. Tenant acknowledges that Tenant shall be responsible for obtaining all applicable permits and inspections relating to any such entry by Tenant.

- 4. <u>Change Orders.</u> Tenant shall have the right to request changes to the CD's at any time following the date hereof by way of written change order (each, a "Change Order", and collectively, "Change Orders"). Provided such Change Order is reasonably acceptable to Landlord, Landlord shall prepare and submit promptly to Tenant a memorandum setting forth the impact on cost and schedule resulting from said Change Order (the "Change Order Memorandum of Agreement"). Tenant shall, within three (3) days following Tenant's receipt of the Change Order Memorandum of Agreement, either (a) execute and return the Change Order Memorandum of Agreement to Landlord, or (b) retract its request for the Change Order. Any increase in the cost to construct the Tenant Improvements resulting from the Change Order, as set forth in the Change Order Memorandum of Agreement, shall be included in the final statement of costs to be provided by Landlord. Landlord shall not be obligated to commence any work set forth in a Change Order until such time as Tenant has delivered to Landlord the Change Order Memorandum of Agreement executed by Tenant.
- 5. Tenant Delay. Notwithstanding anything to the contrary contained in the Lease, if Substantial Completion of the Tenant Improvements is delayed beyond the Target Commencement Date as a result of Tenant Delay (as hereinafter defined), then, for purposes of determining the Commencement Date, Substantial Completion of the Tenant Improvements shall be deemed to have occurred on the date that Substantial Completion of the Tenant Improvements would have occurred but for such Tenant Delay. Without limiting the foregoing, Landlord shall use commercially reasonable speed and diligence to Substantially Complete the Tenant Improvements on or before the Target Commencement Date, provided that the Commencement Date shall not be prior to October 1, 2006..
- 6. <u>Letter of Understanding.</u> Promptly following the Commencement Date, Tenant shall execute Landlord's Letter of Understanding in substantially the form attached hereto as <u>Exhibit C</u> and made a part hereof, acknowledging (a) the Commencement Date of this Lease, and (b) except for any punchlist items, that Tenant has accepted the Leased Premises. If Tenant takes possession of and occupies the Leased Premises, Tenant shall be deemed to have accepted the Leased Premises and that the condition of the Leased Premises and the Building was at the time satisfactory and in conformity with the provisions of this Lease in all respects, subject to any punchlist items.
- 7. <u>Definitions</u>. For purposes of this Lease (a) "Substantial Completion" (or any grammatical variation thereof) shall mean completion of construction of the Tenant Improvements, subject only to punchlist items to be identified by Landlord and Tenant in a joint inspection of the Leased Premises prior to Tenant's occupancy, as established by a certificate of occupancy for the Leased Premises or other similar authorization issued by the appropriate governmental authority, if required, and (b) "Tenant Delay" shall mean any delay in the completion of the Tenant Improvements attributable to Tenant, including, without limitation (i) Tenant's failure to meet any time deadlines specified herein, (ii) Change Orders, (iii) the performance of any other work in the Leased Premises by any person, firm or corporation employed by or on behalf of Tenant, or any failure to complete or delay in completion of such work, (iv) Landlord's inability to obtain an occupancy permit for the Leased Premises because of the need for completion of all or a portion of improvements being installed in the Leased Premises directly by Tenant, and (v) any other act or omission of Tenant.

EXHIBIT C

LETTER OF UNDERSTANDING

RE	Lease Agreement between Mark Center Buildings II, LLC, a Delaware limited liability company ("Landlord"), and ("Tenant") for the Leased Premises located at 1900 N. Beauregard Street, Alexandria, Virgina (the "Leased Premises"), dated (the "Lease").
Dear	:
The	undersigned, on behalf of Tenant, certifies to Landlord as follows:
1.	The Commencement Date under the Lease is
2.	The rent commencement date is
3.	The expiration date of the Lease is
4.	The Lease (including amendments or guaranty, if any) is the entire agreement between Landlord and Tenant as to the leasing of the Leased Premises and is in full force and effect.
5.	The Landlord has completed the improvements designated as Landlord's obligation under the Lease (excluding punchlist items as agreed upon by Landlord and Tenant), if any, and Tenant has accepted the Leased Premises as of the Commencement Date.
6.	To the best of the undersigned's knowledge, there are no uncured events of default by either Tenant or Landlord under the Lease.
	WITNESS WHEREOF, the undersigned has caused this Letter of Understanding to be is day of, 20
	Ву:
	Printed Name:
	Title:

EXHIBIT D

RULES AND REGULATIONS

- 1. The sidewalks, entrances, passages, courts, elevators, vestibules, stairways, corridors or halls shall not be obstructed or used for any purpose other than ingress and egress. Landlord shall control the Common Areas. Tenant shall not use any portion of the roof of the Building.
- 2. No awnings or other projections shall be attached to the outside walls of the Building. No curtains, blinds, shades or screens shall be attached to or hung in, or used in connection with, any window or door of the Leased Premises other than Landlord standard window coverings without Landlord's prior written approval. All electric ceiling fixtures hung in offices or spaces along the perimeter of the Building must be fluorescent, of a quality, type, design and tube color approved by Landlord. Neither the interior nor the exterior of any windows shall be coated or otherwise sunscreened without written consent of Landlord.
- 3. No sign, advertisement, notice or handbill shall be exhibited, distributed, painted or affixed by any tenant on, about or from any part of the Leased Premises, the Building or in the Common Areas including the parking area without the prior written consent of Landlord. In the event of the violation of the foregoing by any tenant, upon prior notice to tenant Landlord may remove or stop same without any liability, and may charge the expense incurred in such removal or stopping to tenant. The lobby directory will be provided exclusively for the display of the name and location of tenants only, and Landlord reserves the right to exclude any other names therefrom. Nothing may be placed on the exterior of corridor walls or corridor doors other than Landlord's standard lettering.
- 4. The sashes, sash doors, windows, and doors that reflect or admit light and air into halls, passageways or other public places in the Building shall not be covered or obstructed by tenant. Tenant shall comply with standards prescribed by Landlord for curtains, drapes, blinds, shades, screens lights and ceilings, including standards designed to give the Building a uniform, attractive appearance. Tenant shall utilize the Building's Venetian blinds, if any, in such manner as directed by Landlord to assist Landlord in maintaining reasonably comfortable temperatures in the Building.
- 5. The sinks and toilets and other plumbing fixtures shall not be used for any purpose other than those for which they were constructed, and no sweepings, rubbish, rags, or other substances shall be thrown therein. All damages resulting from any misuse of the fixtures shall be borne by the tenant who, or whose subtenants, assignees or any of their servants, employees, agents, visitors or licensees shall have caused the same.
- 6. No tenant shall mark, paint, drill into, or in any way deface any part of the Building or, without Landlord's prior written consent, the Leased Premises (excluding the insertion of nails for the display of artwork within the Premises). No boring, cutting or stringing of wires or laying of any floor coverings shall be permitted, except with the prior written consent of the Landlord and as the Landlord may direct. Landlord shall direct electricians as to where and how telephone or data cabling are to be introduced. No boring or cutting for wires or stringing of wires will be allowed without written consent of Landlord. The location of telephones, call boxes and other office equipment affixed to the Leased Premises shall be subject to the approval of Landlord.
- 7. No bicycles, vehicles, birds or animals of any kind (except seeing eye dogs) shall be brought into or kept in or about the Leased Premises, and no cooking shall be done or permitted by any tenant on the Leased Premises, except microwave cooking, and the preparation of coffee, tea, hot chocolate and similar items for tenants and their employees. No tenant shall cause or permit any unusual or objectionable odors to be produced in or permeate from the Leased Premises.
- 8. The Leased Premises shall not be used for manufacturing or for the storage of merchandise except as such storage may be incidental to the permitted use of the Leased Premises, nor for the sale of goods or property of any kind (including any sale at auction). No tenant shall occupy or permit any portion of the Leased Premises to be occupied as an office for the manufacture or sale of liquor, narcotics, or tobacco in any form, or as a medical office, or as a barber or manicure shop, or a dance, exercise or music studio, or any type of school or daycare or copy, photographic or print shop or an employment bureau without the express written consent of Landlord. The Leased Premises shall not be used for lodging or sleeping or for any immoral or illegal purpose.
- 9. No tenant shall make, or permit to be made any unseemly, excessive or disturbing noises or disturb or interfere with occupants of this or neighboring buildings or premises or those having business with them, whether by the use of any musical instrument, radio, phonograph, loudspeaker or other sound system, unusual noise, or in any other way. No tenant shall throw anything out of doors, windows or down the passageways.

- 10. No tenant, subtenant or assignee nor any of its servants, employees, agents, visitors or licensees, shall at any time bring or keep upon the Leased Premises any flammable, combustible or explosive fluid, chemical or substance or firearm.
- 11. No additional locks or bolts of any kind shall be placed upon any of the doors or windows by any tenant, nor shall any changes be made to existing locks or the mechanism thereof. Tenant shall keep doors leading to a corridor or the main hall closed during business hours, except as may be used for ingress and egress. Each tenant must upon the termination of his tenancy, restore to the Landford all keys of doors, offices, and toilet rooms, either furnished to, or otherwise procured by, such tenant and in the event of the loss of keys so furnished, such tenant shall pay to the Landford the cost of replacing the same or of changing the lock or locks opened by such lost key if Landford shall deem it necessary to make such changes.
- 12. No tenant shall overload the floors of the Leased Premises. All damage to the floor, structure or foundation of the Building due to improper positioning or storage items or materials shall be repaired by Landlord at the sole cost and expense of tenant, who shall reimburse Landlord immediately therefor upon demand. All removals or the carrying in or out of any safes, freight, furniture, or bulky matter of any description must take place during the hours that Landlord shall reasonably determine from time to time and through Landlord's designated delivery entrance and freight elevator. The moving of safes or other fixtures or bulky matter of any kind must be done upon previous notice to Landlord and through Landlord's designated delivery entrance and freight elevator. Landlord reserves the right to inspect all safes, freight or other bulky articles to be brought into the Building and to exclude from the Building all safes, freight or other bulky articles which violate any of these Rules and Regulations or the Lease of which these Rules and Regulations are a part. The Landlord reserves the right to prescribe the weight and position of all safes, which must be placed upon supports approved by Landlord to distribute the weight. Tenant shall pay all costs of Landlord incurred in the exercise of its rights under this paragraph, including the costs of any structural engineer retained by Landlord.
- 13. Landlord shall have the right to prohibit any advertising by any tenant that, in Landlord's opinion tends to impair the reputation of the Building or its desirability as an office location, and upon written notice from Landlord any tenant shall refrain from or discontinue such advertising.
- 14. The business hours for the Building shall be 8 a.m. to 6 p.m. Monday through Friday, excluding legal public holidays celebrated by the federal government. Landlord reserves the right to require all persons entering the Building between the hours of 6:00 p.m. and 8:00 a.m. and at all hours on Saturday, Sunday and legal holidays to register with Landlord's security personnel or use the access control system. Each tenant shall be responsible for all persons entering the Building at tenant's invitation, express or implied. Landlord shall in no case be liable for damages for any error with regard to the admission to or exclusion from the Building of any person. In case of an invasion, mob riot, public excitement, act or terror or terrorism, failure of critical building systems or utilities, or other circumstances rendering such action advisable in Landlord's opinion, Landlord reserves the right without any abatement of rent to require all persons to vacate the Building and to prevent access to the Building during the continuance of the same for the safety of the tenants and the protection of the Building and the property in the Building.
- 15. No tenant shall purchase janitorial or maintenance or other similar services, from any person or persons not approved by Landlord. Any persons employed by any tenant to do janitorial work or other work in the Leased Premises shall, while in the Building and outside of the Leased Premises, be subject to and under the control and direction of Landlord (but not as an agent or servant of Landlord), and tenant shall be responsible for all acts of such persons.
- 16. Canvassing, soliciting and peddling in the Building are prohibited, and each tenant shall report and otherwise cooperate to prevent the same.
- 17. All office equipment of any electrical or mechanical nature shall be placed by tenant in the Leased Premises in settings that will, to the maximum extent possible, absorb or prevent any vibration, noise and annoyance. If any equipment of tenant causes noise, vibration, radiation or any other type of interference that is objectionable to Landlord or any other tenant in the Building, then Landlord shall have the right to install, upon tenant's prior approval not to be unreasonably withheld and at tenant's expense, vibration eliminators or other equipment or devices to reduce such noise, vibration, radiation or other interference to a level reasonably satisfactory to Landlord or to require tenant to do the same; provided that if Landlord determines that such disturbance cannot be reduced to a level sufficient to address such objections, Landlord shall have the right to prohibit tenant's use of such equipment.
- 18. No air-conditioning unit or other similar apparatus shall be installed or used by any tenant without the written consent of Landlord. Tenant shall not install any equipment of any type or nature that will or may necessitate any changes, replacements or changes to any of the water, heating, plumbing, air-

conditioning or electrical systems of the Leased Premises or the Building, without obtaining Landlord's prior written consent.

- 19. There shall not be used in any space, or in the public halls of the Building, either by any tenant or others, any hand trucks except those equipped with rubber tires and rubber side guards. Tenant shall be responsible for loss or damage resulting from any delivery made by or for tenant.
- 20. The scheduling of tenant move-ins shall be before or after normal business hours and on weekends, subject to the reasonable discretion of Landlord.
- 21. The Building is a smoke-free Building. Smoking is strictly prohibited within the Building. Smoking shall only be allowed in areas designated as a smoking area by Landlord. Tenant and its employees, representatives, contractors or invitees shall not smoke within the Building or throw cigar or cigarette butts or other substances or litter of any kind in or about the Building, except in receptacles for that purpose. Landlord may, at its sole discretion, impose a charge against monthly rent of \$50.00 per violation by tenant or any of its employees, representatives, contractors or invitees, of this smoking policy.
- 22. Tenants will insure that all doors are securely locked, and water faucets, electric lights and electric machinery are turned off before leaving the Building.
- 23. Parking spaces associated with the Building are intended for the exclusive use of passenger automobiles. Except for intermittent deliveries, no vehicles other than passenger automobiles may be parked in a parking space without the express written permission of Landlord. Tenant, its employees, customers, invitees and guests shall, when using the parking facilities in and around the Building, observe and obey all signs regarding fire lanes and no-parking and driving speed zones and designated handicapped and visitor spaces, and when parking always park between the designated lines. Landlord reserves the right to tow away, at the expense of the owner, any vehicle which is improperly parked or parked in a no-parking zone or in a designated handicapped area, and any vehicle which is left in any parking lot in violation of the foregoing regulation. All vehicles shall be parked at the sole risk of the owner, and Landlord assumes no responsibility for any damage to or loss of vehicles.
- 24. Tenant shall be responsible for and cause the proper disposal of medical waste, including hypodermic needles, created by its employees.
- 25. The requirements of tenant will be attended to only upon application to Landlord or its managing agent and representatives, and any special requirements shall be billed to tenant in accordance with the schedule of charges maintained by Landlord from time to time or as agreed upon in writing in advance by Landlord, or its managing agent, and tenant. Tenant shall not employ any employees of Landlord or its managing agent to do anything outside of such employees' regular duties, without the prior written consent of Landlord.

It is Landlord's desire to maintain in the Building and Common Areas the highest standard of dignity and good taste consistent with comfort and convenience for tenants. Any action or condition not meeting this high standard should be reported directly to Landlord. The Landlord reserves the right to make such other and further rules and regulations as in its judgment may from time to time be necessary for the safety, care and cleanliness of the Building and Common Areas, and for the preservation of good order therein.